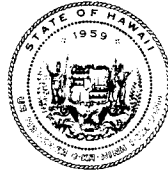


BENJAMIN J. CAYETANO
GOVERNOR



DIRECTOR'S OFFICE
DEPT. OF
TRANSPORTATION

RAYMOND H. SATO
COMPTROLLER

MAY 21 9 16 AM '99

MARY PATRICIA WATERHOUSE
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES

P.O. BOX 119
HONOLULU, HAWAII 96810-0119

MAY 20 1999

COMPTROLLER'S MEMORANDUM NO. 1999-16

TO: Heads of Departments and Agencies


SUBJECT: Encumbering for Retroactive Pay Increases

This memorandum describes the procedures departments and agencies must follow when encumbering funds for retroactive pay increases in the event House Bill 1038 is signed into law.

Departments and agencies will be allowed to encumber these funds in "lump sum" rather than having to identify the amounts for each employee. The amount of the retroactive pay increase must be listed separately, by program, on the documents used to support the total encumbrance amount entered on the Encumbrance Advice (SAFORM C-06). A copy of the Allotment Advice (SAFORM A-15) used to allocate the collective bargaining appropriation to your department's program appropriation accounts must also be submitted.

Other types of payroll encumbrances must continue to be supported by the employee's name or social security number and the amounts due to each employee.

If there are any questions, please call Mr. Glenn Miyashiro of our Accounting Division at 586-0599.


RAYMOND H. SATO
Comptroller

5/24 DISTR: AIR, HAR, HWY, BUS-F
AIR-AF/Darlene; HAR-SF/Deanna; HWY-SF/Julie